Notification by the Government of His Highness the Maharaja of Mysore,

Geological.

No. 555 S., dated Bangalore, 2nd March 1904.

In supersession of Government Notifications No. 46-M, dated 13th October 1897 and No. M—99 and No. 100—A, dated 9th December 1897, the following rules for the grant of Exploring and Prospecting Licenses and Mining Leases in the Mysore State are hereby notified.

Rules for the Grant of Exploring and Prospecting Licenses and Mining Leases in the State of Mysore.

I.—EXPLORING LICENSES.

1. A license to explore for minerals within the State of Mysore, hereinafter called an Exploring License, may be obtained on application to the Secretary to Government in the Geological Department, by whom every License granted shall be signed on behalf of the Government.

2. Each application shall be accompanied by a fee of Rs. 10 and shall contain a description of the area to be covered by the License. Government may refuse to grant any License, in which event the fee shall be returned to the applicant, or may at their discretion limit the area to which the license shall apply or specifically exclude any mineral from the License.

3. Such License shall not authorize the Licensee to mine or quarry, but he may turn up the surface of the land to such depth and subject to such conditions as the Deputy Commissioner may direct.

4. No private or occupied lands and no lands over which exclusive mineral rights have been granted to others may be entered upon or explored without the consent of the owner, occupier or possessor thereof.

5. Every License shall be in Form No. 1 hereto appended and shall run for one year. Such License shall confer no exclusive or preferential rights, but in considering rival claims for a prospecting license or mining lease, due regard will be had to operations conducted under cover of an Exploring License.

6. The Licensee shall be at liberty, subject to such restrictions as Government may from time to time impose, to remove any specimens or samples found in or upon the land to which the License applies.

II. PROSPECTING LICENSES.

7. Applications for Licenses to prospect for minerals within the territories of Mysore shall be made to the Secretary to Government in the Geological Department in Form No. 2 hereto appended.

8. Each application shall be in respect of a specified block of land which shall be, as far as possible, in the shape of a rectangle of which the length must not under ordinary circumstances exceed twice the breadth.

9. The Government reserve to themselves the power of refusing to grant a prospecting license in respect of any block without assigning a reason or to impose such special terms as they may in their absolute discretion think desirable.

10. Every prospecting License granted under these Rules will be in form No. 3 appended hereto and will be valid for one year, but the Government may at their discretion renew any license from year to year, on payment in advance, of an annual rent which may be determined upon separately for each period of renewal.

11. The fees ordinarily payable in respect of each license shall be:—

(a) A deposit of not less than Rs. 100 or such larger sum as the Government may determine according to the area and character of the land included in the block licensed. This deposit shall be held as security for the due fulfilment of the terms of the license and subject to any deductions in this respect, will be returned to the licensee on termination of the license.

(b) A rent of Rs. 50 for each square mile, or portion of a square mile, of area included in the block.

12. Each application must be accompanied by:—

(a) A sheet or extract of the Topographical Survey Map of Mysore (scale 1 inch to a mile) upon which the boundaries of the block for which a license is required have been clearly marked.

(b) A schedule giving the names of the villages included (either wholly or partly) in the block together with the Taluk and District in which they are situated and stating the area of the block in square miles.

(c) A deposit of Rs. 100 which must be remitted either as a Government Treasury Receipt or as a crossed cheque on the Bangalore Branch of the Madras Bank to the order of the Secretary to Government in the Geological Department.

13. On receipt of any application, Government will, if they decide to grant a license, inform the applicant of the amount of the fees payable therefor and of any special terms which

they may consider desirable to impose. Within such time as may be fixed by Government in each case the applicant shall pay the amount of the fees specified and signify his willingness to abide by any special terms that may be imposed and shall point out the boundaries of the selected block to an officer deputed for that purpose. On completion of the survey and demarcation of the block, two forms of the license and a bill for the survey and demarcation expenses will be sent to the applicant, who shall, within a fortnight from the date of receiving such communication, tender the license in duplicate signed by himself for the signature of the Secretary to Government in the Geological Department, paying at the same time the cost of the survey and demarcation.

14. Until the license is signed by the Secretary to Government in the Geological Department, the applicant shall not be entitled to exercise any of the privileges of a licensee.

15. The licensee will be entitled to select, for mining purposes, any time during the currency of his license, a block of land, not exceeding one square mile in area and not more than one mile from end to end in any direction, within the area specified in his license. When such selection has been made, the licensee shall be entitled, under and subject to the Rules for mining leases contained in paras 18 to 29 of this Notification, to obtain a Mining Lease of the selected block.

16. If the applicant shall neglect to carry out any of the preceding provisions, his application shall be cancelled and he shall not be entitled to a refund of the sum of Rs. 100 deposited with the application.

17. If the license is refused under Rule 9 or if the applicant, within a fortnight of being informed of any special conditions under Rule 9, declines to accept them, the said sum of Rs. 100 will be refunded to him.

III. MINING LEASES.

18. Applications for Mining Leases within the territories of Mysore shall be made to the Secretary to the Government in the Geological Department in Form No. 4 appended hereto.

19. Each application shall be in respect of a specified block of land not exceeding one square mile in area and not more than one mile from end to end in any direction; the block shall be as far as possible in the shape of a rectangle of which the length must not under ordinary circumstances exceed twice the breadth.

20. Every mining lease, granted under these Rules, will be for a period not exceeding thirty years and will be in Form No. 5 appended hereto.

21. The applicant for a mining lease must satisfy the Government that he will be able to raise within two years the sum of £10,000 sterling for the purpose of carrying on mining operations in the block of land applied for, and a statement as to the manner in which he proposes to raise this sum must accompany the application.

22. Each application must be accompanied by—

(a) A deposit of Rs. 1,000 as security for the due fulfilment of the terms of the lease which must be remitted as a Government Treasury Receipt or as a crossed cheque on the Bangalore Branch of the Madras Bank to the order of the Secretary to Government in the Geological Department.

(b) A sheet or extract of the Topographical Survey Map of Mysore (scale 1 inch to a mile) upon which the boundaries of the block applied for have been clearly marked.

(c) A schedule giving the names of the villages to which the lands comprised within the block belong, with the Taluk and District in which each is situated.

23. The applicant must point out to an officer deputed for the purpose by the Secretary to Government in the Geological Department the boundaries of the block of land applied for within a fortnight of the date on which he may receive an intimation to that effect, and the officer so deputed shall thereupon survey the block and erect such boundary marks as may be requisite.

24. After the completion of the survey and all necessary enquiries two forms of the lease to be executed and a bill for the survey and demarcation expenses will be sent to the applicant, who shall, within a month of receiving such communication, tender for execution by the Dewan of Mysore, the lease in duplicate executed by himself and duly stamped, paying at the same time the cost of the survey and demarcation.

25. Failure to comply with the preceding rules will involve cancellation of the application and forfeiture of the sum deposited with it.

26. The applicant's title to the land applied for will not be complete until the lease is actually executed by the Dewan.

27. The lease shall, after execution, be registered under the law for the time being in force for the registration of assurances, and the duplicate copy thereof shall be deposited with the Mysore Government.

28. (i) Every holder of a prospecting license is entitled as of right to a mining lease of one block of land under and subject to the provisions of the preceding rules, and the special terms (if any) imposed by the license.

(ii) In the case of other applications the Government shall be at liberty either—

(a) to grant a lease to the applicant under the preceding rules,

or (b) to impose such special terms as they may in their absolute discretion think desirable,

or (c) to reject the application without assigning a reason.

29. The Government reserve to themselves the right to invite tenders for the purchase of mining leases for any land other than a block selected under a prospecting license without binding themselves to accept any of the highest tender.

IV. GENERAL.

30. As an ordinary rule, not more than one application for a prospecting license or mining lease will be entertained from the same person, but in special cases, two or more applications from the same applicant may be taken into consideration, if there are no other eligible applicants and no other objection exists, and the Government are satisfied that the application is made for the purpose of *bonâ-fide* work and not for the purpose of mere speculation in mining land.

31. The Government will require the strict performance of the provisions and conditions contained in any prospecting license or mining lease providing for the proper prospecting or mining of the land comprised therein.

By Order,

W. F. SMEETH,
Secretary to Government,
Geological Department.

Form No. 1.

EXPLORING LICENSE.

Exploring license granted this day of 190 . ; by the Government of His Highness the Maharaja of Mysore to hereinafter called the licensee.

Whereas the licensee has applied in accordance with the rules published under Notification (Geol.) No. 555 S., dated the 2nd March 1904, for a license to explore for minerals in the area described in the Schedule hereto and has paid the prescribed fee of Rs. 10—

1. The Government of His Highness the Maharaja of Mysore hereby grant to the Licensee subject to the restrictions, conditions and provisos hereinafter contained, license and liberty to enter upon the lands within the area aforesaid and to explore and search the surface of the same for minerals, stones or rocks for a period of one calendar year from the date hereof and subject to the restrictions hereinafter contained or such other restrictions as the Government may from time to time impose, to remove any specimen or samples thereof found by the licensee upon the said lands during the term of the license.

2. This license does not authorize the licensee to enter upon or commence exploring in any State forest or land under special protection included in the land described in the schedule hereto, without obtaining the sanction in writing of the District Forest Officer, upon such conditions as that officer may, in his absolute discretion prescribe.

3. This license is subject to any vested interests and to any rights and liberties which have been granted by Government in the said area or in the minerals, stones or rocks therein contained prior to the date of the grant of this license.

4. This license shall not authorize the licensee to mine or quarry within the boundaries of the land specified in the schedule, but the licensee shall be at liberty to turn up the surface to such depth and subject to such conditions as the Deputy Commissioner may authorize.

5. In the course of exploring operations, no occupied or private lands shall be entered upon or disfigured except under agreement with the occupant or owner thereof.

6. The licensee shall abstain from all interference with the free use of any tanks, watercourses, sacred groves, burial grounds, village sites for houses, or grazing lands which may now exist in the said area, and in no way obstruct any road, path or by-way of any kind whatsoever in the said area, and will not do anything which may directly or indirectly injure in any way any occupied lands or villages or houses or other private property whether in the said area or adjoining thereto.

7. The licensee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers granted by the license and shall indemnify the Government against all claims which may be made by third parties in respect of any such damage or injury.

8. The licensee shall not cut or injure any tree on unoccupied and unreserved land without the permission in writing of the Deputy Commissioner.

9. This license shall not be assigned nor any right or interest hereunder transferred without the consent in writing of the Government.

10. The licensee may remove any minerals found by him in or upon the said land in the course of his exploring operations under this license in reasonable quantities for the purpose of sampling or testing but not for the purpose of sale without the sanction of Government.

11. The licensee shall within ten days of the discovery by him, his servants, workmen or agents, of any and all precious stone or stones upon the said lands report the discovery to the Secretary to Government in the Geological Department and shall produce the stones when called upon to do so and shall pay to Government by way of Royalty fifteen per cent. of the value of the stones so found.

12. This license shall not confer upon the licensee any exclusive or preferential rights of any kind and if there be any breach by the licensee of the terms of this license, Government may forthwith cancel this license and thereupon all rights conferred thereby or enjoyed thereunder shall absolutely cease and determine.

SCHEDULE.

Lands comprised in this license.

By Order,

Secretary to Government,
Geological Department.

Form No. 2.

APPLICATION FOR A PROSPECTING LICENSE.

of 190 .

To

The Secretary to the Government of H. H. the Maharaja of Mysore,
Geological Department.

SIR,

I have the honour to request that a Prospecting License under the Rules contained in Notification (Geol.) No. 555 S., dated 2nd March 1904, may be granted to me over the area containing square miles marked on the enclosed extract from the Topographical Survey Map of Mysore.

The area over which prospecting rights are applied for comprises land belonging to the villages, the names of which with the Taluk and District to which each belongs, are set out in the Schedule hereto.

I enclose (receipt from the Treasury) (crossed cheque on the Bangalore Branch of the Bank of Madras payable to the order of the Secretary to the Government of Mysore in the Geological Department) for Rs. 100, the deposit payable in respect of this application.

I have the honour to be,
Sir,
Your obedient servant,

SCHEDULE.

Village. * Taluk. District.

Form No. 3.

PROSPECTING LICENSE.

Prospecting License granted this day of 190 by the Government of His Highness the Maharaja of Mysore to of hereinafter called the licensee.

Whereas the licensee has applied in accordance with the Rules published under Notification (Geol.) No. 555 S., dated 2nd March 1904, for a license to prospect for minerals in the area described in the schedule hereto, delineated in the plan hereto annexed and containing square miles or thereabouts and has paid the sum of being the deposit required in respect of the license together with the sum of Rs. being the rent for one year in respect of the said area :—

1. The Government of His Highness the Maharaja of Mysore hereby grant to the licensee exclusive license and liberty to prospect for minerals, stones or rocks in the area aforesaid for a period of one calendar year from the date hereof.

2. This license and any lease granted hereunder is subject to any vested interests and to any rights and liberties which have been granted by Government in the said area or in the gold, minerals, stones or rocks therein contained, prior to the date of the grant hereof.

3. The licensee shall forthwith thoroughly and vigorously prospect and examine the said area, and make, dig and carry out all necessary trenches, pits and other works as are necessary or proper for the efficient prospecting thereof.

4. All operations under this license shall be conducted under such supervision and in accordance with such regulations as the Government may from time to time prescribe.

5. The licensee shall, within six months next after the determination of the license or the date of the abandonment of the undertaking, whichever shall first occur, securely plug any bores and fill up or fence any holes or excavations that he may have made in the land to such

* State after the name of village, if whole or part only.

extent as the Deputy Commissioner may require, and shall to the like extent restore the surface of the land and all buildings thereon which he may have damaged in the course of prospecting: Provided that this clause shall not apply to any land held under a mining lease.

6. The licensee shall keep proper accounts and plans and furnish to the Government full and correct information as to all minerals, stones and rocks found or mined and raised in the course of operations under this license and the treatment, preparation and disposal of the same and shall pay a royalty at the following rates on the gross value of the gold, metals, precious stones and other valuable products in a finished, completed or refined state, obtained or prepared (whether by the licensee or others) from the minerals, stones and rocks aforesaid without any deduction for the cost of the processes employed or any other deduction whatsoever, that is to say:—On gold and silver, five per cent; on copper, tin, lead, zinc, bismuth, aluminium, mercury and mica, two and a half per cent; on iron one per cent; on precious stones * per cent and on all other finished products, five per cent.

7. The licensee shall afford any other information in connection with the said area and the works carried on there, and furnish any samples which the Government may ask for. The licensee shall give every facility to the Government in inspecting the work carried on in the said area and in taking samples of minerals, stones and rocks found, mined, raised or being in or on the same area and any products obtained or prepared therefrom. The Government will pay a fair price for any samples of intrinsic value.

8. In the course of prospecting operations, no occupied or private lands shall be entered upon or disfigured except under agreement with the occupant or owner thereof.

9. The licensee shall not, without obtaining the sanction in writing of the District Forest Officer upon such conditions as that officer may in his absolute discretion prescribe, enter upon or commence prospecting in any State Forest or land under special protection comprised in the said area.

10. The licensee shall abstain from all interference with the free use of any tanks, water-courses, sacred groves, burial grounds, village sites for houses or grazing lands which may now exist in the said area, and in no way obstruct any road path or by-way, of any kind whatsoever, in the said area, and will not do anything which may directly or indirectly injure in any way any occupied lands or villages, houses or other private property whether in the said area or adjoining thereto.

11. The licensee shall make and pay reasonable satisfaction and compensation for all injury which may be done by him in exercise of the powers granted by the license and shall indemnify the Government against all claims which may be made by third parties in respect of any such damage or injury.

12. The licensee shall not cut or injure any tree on unoccupied and unreserved land without the permission in writing of the Deputy Commissioner.

13. This license shall not be assigned, nor any right or interest hereunder transferred without the consent in writing of the Government.

14. If prospecting work is not commenced within 6 calendar months from the date hereof and carried on to the reasonable satisfaction of Government or if there shall be any other breach by the licensee of any provision in this license contained, the license may be summarily revoked by Government and thereupon all rights conferred hereby or enjoyed hereunder shall cease.

15. The licensee shall be at liberty at any time during the term of this license to select for mining purposes a block of land not exceeding one square mile in area and not more than one mile from end to end in any direction within the area to which this license applies and shall be entitled to the grant of a mining lease in respect of the block so selected in accordance with the Rules for the grant of mining leases published under Notification No. 555 S., dated 2nd March 1904.

SCHEDULE.

Land comprised in this license.

By Order,

Secretary to the Government of Mysore, Geological Department.

Form No. 4.

APPLICATION FOR A MINING LEASE.

To

of 190 .

The Secretary to the Government of H. H. the Maharaja of Mysore,
Geological Department.

Sir,

I have the honour to apply for the grant of a Mining Lease under the Rules contained in Notification (Geol.) No. 555 S., dated 2nd March 1904, over the block of land containing acres marked on the enclosed extract from the Topographical Survey map of Mysore.

* To be fixed for each license and not to exceed thirty per cent in any case.

The block applied for comprises lands belonging to the villages, the names of which with the Taluk and District to which each belongs, are set out in the schedule hereto.

I enclose (receipt from the Treasury,) (crossed cheque on the Bangalore Branch of the Bank of Madras payable to the order of the Secretary to the Government of Mysore in the Geological Department) for Rs. 1,000, the Deposit required in respect of the land applied for.

I have also to inform you that in accordance with the terms of the Notification I am in a position to raise the sum of £ 10,000 sterling for the purpose of carrying on mining operations in the block of land applied for. I propose to raise this sum in the following manner :—

I have the honour to be
Sir,
Your obedient servant.

SCHEDULE.

Village.* Taluk. District.

Form No. 5.

MINING LEASE.

THIS INDENTURE made the of BETWEEN *the Government of H. H. the Maharaja of Mysore* (hereinafter called "the lessors," which expression shall be taken to mean and include the Government of H. H. the Maharaja of Mysore, their successors and assigns, except where the context requires another or different meaning) of the one part AND (hereinafter called "the lessee," which expression shall be taken to mean and include the said his heirs, executors, administrators, representatives and assigns, except where the context requires another or different meaning) of the other part :—

Parties.

2. WHEREAS the lessors at the request of the lessee and in consideration of a deposit of Rs. 1,000 made by the lessee as security for the due fulfilment of the covenants and agreements on the lessee's part hereinafter contained and which deposit shall be forfeited on any failure thereof, have agreed to grant the mining lease hereinafter contained in respect of the piece of land delineated in the map or plan hereto annexed and situate at in the Taluk of in the District of in the Mysore Territories estimated to comprise and particularly mentioned and described in Schedule A hereto annexed and which piece of land is hereinafter called the "mining block";

Deposit and agreement to grant lease.

Situation of block leased.

3. NOW THIS INDENTURE WITNESSETH that in consideration of the royalties, rents, and other payments hereinafter reserved and in consideration of and subject to the covenants and agreements by the lessee hereinafter contained, the lessors do hereby *demise* and *grant* unto the lessee *exclusive license* and liberty to search for, mine and raise all auriferous (with the exception of alluvial or detrital gold) and other valuable minerals, stones and rocks (hereinafter collectively referred to as "minerals") occurring in or upon the mining block, and to treat the same by metallurgical and other processes and obtain or prepare therefrom gold, metals, precious stones or other valuable products or substances either in a finished, completed and refined state (and then hereinafter referred to as "finished products") or in an intermediate condition (and then hereinafter referred to as "intermediate products") and to erect such buildings or mining or metallurgical plant and carry on such operations as may be necessary or desirable for the purposes aforesaid;

Witnesseth.

Exclusive mining rights.

4. TOGETHER with liberty for the lessee to remove, sell and dispose of the minerals found or raised on or in the mining block or the intermediate or finished products obtained or prepared therefrom;

Together with liberty for lessee to sell mining produce.

5. TO HAVE AND TO HOLD the premises hereinbefore expressed to be hereby demised and granted unto the lessee, for the term of *thirty years* from the date of these presents;

Habendum to lessee for term of thirty years.

6. YIELDING AND PAYING therefor during the said term an annual rent at the rate of one rupee per acre of the mining block, which rent shall be payable for each calendar year on or before the 31st day of December.

Annual rent on mining block.

7. AND YIELDING AND PAYING on or before the 31st day of March in every year all local cesses and other taxes or rates of every description for the time being payable in respect of the premises or lands within the mining block or of any buildings or works in or on the same;

Local cesses, taxes or rates

* State after the name of village, if whole or part only.

8. AND YIELDING AND PAYING within the times set forth in the covenant by the lessee in this behalf hereinafter contained a royalty at the rates hereinafter mentioned on the gross value of all finished products obtained or prepared (whether by the lessee or by purchasers of minerals or intermediate products from the mining block) from the minerals found or mined and raised on or in the mining block without any deduction for the cost of the processes employed (whether by the lessee or others) or any other deductions whatsoever, that is to say :—on gold and silver according to the rules and rates specified in Schedule B hereto annexed ; on copper, tin, lead, zinc, bismuth aluminium, mercury and mica, two and a half per cent ; on iron, one per cent ; on precious stones, — per cent ; and on all other finished products, five per cent ;

Royalties.

9. AND YIELDING AND PAYING such dead rent not exceeding a rate of rupees five per annum per acre of the whole of the mining block as the lessors may, in the event of their being not satisfied with the operations conducted under the lease or with the results thereof, decide to levy for any particular years of the said term after the expiration of the first two years of it.

A dead rent.

And it is hereby declared that the expression "the liabilities under this lease" shall hereafter include all the cesses, taxes, rates, royalties, rents, compensation, indemnities and other payments in this lease reserved and made payable by the lessee.

10. AND THE LESSEE HEREBY COVENANTS WITH THE LESSORS THAT THE LESSEE WILL, within the space of one year from the commencement of this lease, start mining operations throughout the mining block to the reasonable satisfaction of the lessors ;

Covenants by lessee.
To start mining operations within one year.

11. AND WILL, at all times during the said term of the lease, in the best and most effectual manner and without intermission, except when prevented by inevitable accident, search for and mine and raise all minerals on or in the mining block and obtain or prepare therefrom intermediate or finished products of a saleable nature ;

To prosecute operations without intermission.

12. AND WILL, throughout the said term, keep all mines, buildings, pits, shafts, ladders, plats, sollars, timber, ropes, water-courses, air-gates, engines, machines, and other mining and metallurgical plant on or in the mining block in good repair, working order and condition ;

To keep all mines, buildings, machinery, etc., in good order.

13. AND WILL, within two years from the date of this lease, provide, by the formation of a working company or otherwise, a sum (which shall in no case be less than ten thousand pounds sterling) sufficient for efficiently carrying on mining operations upon the mining block ; but the lessors may at their discretion and if satisfied with the work done by the lessee extend the time allowed for the provision of such sum beyond the period of two years herein specified ;

To raise £10,000 in two years for working.

14. AND WILL, if required and before the sale thereof, deliver to or permit to be taken by the lessors, or their agents, a sample or samples of all minerals found or mined and raised and all intermediate and finished products sold or intended for sale, all such samples so taken when of intrinsic value to be paid for by the lessors at the current market rate ;

To deliver to, or permit to be taken by, lessors samples of minerals and products.

15. AND WILL, immediately after any sale of minerals or intermediate or finished products, give to the lessors or their agents a return of the prices for which the same respectively shall have been sold, and, if required, the names of the purchasers thereof ;

To make return of prices to lessors.

16. AND WILL, within ninety days after any such sale or within one year from the time when any intermediate or finished products of a saleable nature may have been obtained or prepared, whichever shall first happen, pay to the lessors, the royalties hereinbefore reserved ; provided that any royalty calculated upon net profits as hereinbefore and in schedule B hereto provided shall be payable at the close of each calendar year and shall be paid within ninety days from the date upon which such net profits shall have been ascertained ;

To pay royalties within 90 days after sale or one year after preparation for sale.

17. AND WILL pay all other liabilities under this lease as and when they respectively become payable ;

To pay other liabilities under lease.

18. AND WILL afford to the lessors every information concerning the mines and buildings and mining and metallurgical plant in or on the mining block, the mode in which operations are carried on, the minerals found or mined and raised on or in the mining block, the intermediate or finished products obtained or prepared therefrom, the persons employed by the lessee, and all other information connected with the mining block or the provisions of this lease as the lessors may require ;

To afford every information connected with the mining block or the provisions of this lease.

19. AND WILL furnish, in such manner and to such persons as the lessors may, from time to time, direct, samples of all stones and rocks met with on or in the mining block with full details as to the locality and mode in which the same respectively were discovered and the dates of discovery ;

To furnish samples of rocks, etc., met with in the mining block, with details as to mode of occurrence, etc.

20. AND WILL not assign or under-let or part with the possession of all or any of the rights, liberties, licenses and premises by these presents demised and granted, or any interest or share therein, without the consent, in writing, previously obtained, of the lessors;

Not to assign without previous consent of lessors.

21. AND WILL deliver to the lessors a copy of every assignment or under-lease of all or any of the rights, liberties, licenses and premises by these presents demised and granted or any interest or share therein within two calendar months after the date of such assignment or under-lease;

To deliver to lessors copies of all assignments.

22. AND WILL, throughout the said term, make and keep in some convenient place on the mining block and so that the lessors or their agents can have, at all times, free access thereto, proper books of accounts in such form as the lessors may approve, giving full and accurate particulars of the working and yield of all mines and mining and metallurgical plant in or on the mining block and the costs thereof and of the disposal of the minerals and intermediate and finished products found, mined, raised, obtained or prepared on, in or from the mining block with all particulars of quantities, dates and other facts and circumstances necessary or proper for ascertaining the exact value of such finished products and the finished products which can be obtained or prepared from such minerals and intermediate products and also correct maps, plans and sections of the mining block and of the mines and mining and metallurgical plant therein or thereon upon such scale or scales and in such manner as the lessors may from time to time direct showing as well the pits, shafts, drives, crosscuts, winzes, rises, stopes and other excavations, operations and works which have been carried on, as also all beds and veins and all faults and other disturbances which have been observed and encountered therein;

To keep proper books of accounts, plans, etc.

23. AND WILL, at his own cost, when required by the lessors or their agents, give to them copies of all or any entries in the said books and of every such map, plan and section as aforesaid;

To give copies thereof.

24. AND WILL, at his own cost, when required by the lessors or their agents, furnish to them true and correct abstracts of all or any such accounts as aforesaid;

To furnish abstracts thereof.

25. AND WILL, at all reasonable times, allow such officers and persons as the lessors may in that behalf appoint to enter into and have free access to the place or places where the said books, maps, plans and sections may be kept in order to examine and inspect them, take copies thereof and make extracts therefrom;

To allow free access to places where such books, plans, etc., may be kept.

26. AND WILL, at the end or sooner determination of the said term, give up to the lessors the said books, maps, plans and sections in good and perfect condition;

And give up to lessors books and plans at end of term.

27. AND WILL, at his own expense, forthwith erect and at all times maintain and keep in repair, such boundary marks and pillars as the lessors may require;

To erect boundary marks.

28. AND WILL well and properly secure and keep open with timber or other durable means all pits and shafts to be sunk or made in the mining block and make and maintain sufficient fences round every such pit or shaft;

To secure pits and shafts.

29. AND WILL NOT, until the license, in writing, of the lessors or their agents be obtained, wilfully close, fill up or choke any mine or shaft;

Not to fill up shafts or mines.

30. AND WILL, throughout the said term, duly enforce in every part of the mining block such sanitary rules for the health and well-being of all persons employed by the lessee or who may be on the mining block or in its neighbourhood, as the lessors may, from time to time, prescribe;

To enforce sanitary rules.

31. AND WILL, at any time or times when required by the lessors so to do, set apart and appropriate for free use by the lessors such lands forming part of the surface of the mining block as are in the opinion of the lessors suitable and sufficient for sites for villages, tanks, wells and other works for water-supply, hospitals, sanitary works, Government offices, Police stations and other buildings or works of public utility which are in the opinion of the lessors required for or in connection with the persons employed by the lessee or in work under or in connection with any contract made by the lessee or who are engaged in supplying the wants of those so employed and the families and dependents of such persons or in connection with the inspection of the mines or the prevention of crime; but the lessors will so far as is compatible with the objects aforesaid select the land to be so set apart and appropriated in such manner as not to interfere with the mining operations of the lessee, and will from time to time pay to the lessee such sums of money as will reasonably indemnify the lessee for monies expended in buying surface rights over any of the lands so set apart and appropriated and the cost of removal of any works carried on thereon;

To set apart land for public purposes.

To permit lessors to inspect mines, etc.

32. AND WILL permit the lessors and their agents, servants and workmen, throughout the said term, to enter upon any part of the mining block above or below ground and inspect and examine the state and condition thereof and of the mines and buildings and mining and metallurgical plant therein or thereon and the mode in which operations are carried on and will further, with proper persons employed by the lessee, and acquainted with mining and metallurgical operations and with the engines, machinery and apparatus and other mining and metallurgical plant upon or within the mining block, effectually assist in the conduct of every such inspection and examination, affording all information required therefor;

To conform to mining regulations and report accidents.

33. AND WILL from time to time, and at all times during the said term hereby granted conform to and observe all orders and regulations which the lessors, or their agents, duly authorized in this behalf may, from time to time, see fit to issue and prescribe for the proper carrying on of all mining work and other operations within the mining block or in the interests of the health, well-being and safety of persons employed by the lessee or who may be on the mining block or in its neighbourhood, and also will without delay send to such officers as may be named for this purpose by the lessors, a report of any accident which may at any time occur in connection with any mining or metallurgical operations in or on the mining block;

To abstain from entering occupied land and compensate for injury to surface.

34. AND WILL in the exercise of the license and liberties hereby granted, abstain from entering upon the surface of any occupied Government land or of any Inam land comprised within the mining block without previously purchasing the rights or obtaining the consent of the occupant, holder or tenant of such land, by an instrument, in writing, duly registered, and if any damage or injury be caused to the surface of any such land by any operations carried on under this lease, will duly compensate the occupant, holder or tenant thereof, for all such damage or injury;

Not to obstruct roads, etc.

35. AND WILL keep open and in no way obstruct any road, path or by-way of any kind whatsoever now existing or which may hereafter be made on the mining block;

To permit lessors to make roads, tramways, railways, etc.

36. AND WILL permit the lessors or other persons authorized by them in that behalf to enter into and upon the mining block and to make upon, over or through the same such roads, tramways and railways as may in the opinion of the lessors be necessary or expedient for any purposes and to obtain from and out of the lands such stone, earth and other materials as may be necessary or requisite for making, repairing or maintaining such roads, tramways and railways and to pass and to re-pass at all times over and along such roads, tramways and railways for all purposes and as occasion shall require;

To allow free use of tanks, water-courses, etc., to the public and the lessors.

37. AND WILL abstain from all interference with and allow to the public and the lessors the free use of any tanks, water-courses, places of worship, sacred groves, burial grounds or village sites for houses, which may now exist or may hereafter be set apart or appropriated as herein before provided on the mining block;

Not to use the land for other purposes.

38. AND WILL NOT cultivate any of the lands comprised within the mining block or in any way use the said lands save for the purposes of the rights, licenses and liberties hereby granted;

Not to cut trees, etc.

39. AND WILL NOT without the express sanction of the Deputy Commissioner for the time being of the District, cut down or injure any trees or timber on the mining block other than brushwood or undergrowth which may require to be cleared away as interfering with the due exercise of the rights, licenses and liberties hereby granted;

Not to enter upon or commence operations in State Forests, etc.

40. AND WILL NOT without obtaining the sanction in writing of the District Forest Officer, upon such conditions as that officer may in his absolute discretion prescribe, enter upon or commence any mining operations in any State Forest or land under special protection comprised in the mining block.

Not to interfere with grazing rights.

41. AND WILL NOT so far as may be consistent with the due exercise of the rights, licenses and liberties granted under this lease, interfere with or hinder the enjoyment of grazing rights lawfully granted by the lessors to village communities or to individuals in any part of the mining block;

To indemnify lessors from all claims arising from exercise of liberties hereby granted.

42. AND WILL from time to time, and at all times hereafter, effectually keep indemnified the lessors from and against all claims, demands and expenses whatsoever by reason or in consequence of any injury to or interference with any lands or property whatsoever occasioned by or arising directly or indirectly in carrying on mining or metallurgical operations on the mining block, or otherwise in the exercise of the rights, licenses and liberties hereby granted;

To respect water-right and not injure adjoining property.

43. AND WILL NOT without the express sanction of the Deputy Commissioner for the time being of the District, and then subject to the provisions for compensation and indemnity herein contained, use, collect or impound water in or on the mining block in such a manner

as to deprive any adjoining land, villages, houses or watering places for cattle of a reasonable quantity of water as heretofore accustomed and will not in any manner foul, impregnate or otherwise deteriorate any springs or streams of water so as to render them unfit to be used as heretofore, and will not in any other way do anything to injure adjoining lands, villages or houses;

To deliver to lessors mines, buildings, etc., on expiration of term.

44. AND WILL at the expiration or sooner determination of the said term, deliver to the lessors in good order, repair and condition and fit for future working and use, and in all respects in such state and condition as shall be consistent with the due performance and observance of the several covenants and agreements by the lessee herein contained, the mining block and all mines and buildings and all pits, shafts, ladders, plats, sollars, timber, ropes, water courses, air-gates, engines, machines, and other mining and metallurgical plant below and above ground which are in the nature of fixtures or necessary or desirable for the proper working of the said mines and the raising of minerals from the mining block or for the obtaining or preparing of intermediate or finished products from such minerals, except any pits, shafts or other works which shall have been abandoned or disused in the ordinary and fair course of working of the said mines and premises, but so that the lessors shall pay to the lessee a fair price for all engines and machinery of any description in or on the mining block, based on the amount the same could be sold for on the mining block if the lessee had power to authorize the purchasers to remove them, unless the lessors shall have given notice in writing to the lessee that they the lessors do not intend to take over any of such buildings, engines and machinery plant and other things in which case the lessee shall be at liberty to remove the same, but without injuring any other property in or on the mining block;

To have an Agent on the mining block

45. AND WILL, at all times, have at the mining block a duly accredited Superintendent or Agent, to whom all notices may be given and all communications from the lessors may be made, the lessors being at liberty, should there at any time be no such agent on the mining block, to treat any other person there as such agent and to serve all notices and other documents upon the said agent or in his absence upon any such other person as aforesaid or in the case of there being no such other person as aforesaid, then by affixing such notices or other documents upon some conspicuous portion of the mining block;

Distraint for liabilities under lease.

46. PROVIDED ALWAYS that, if and whenever any part of the liabilities under this lease shall be in arrear for the space of sixty days after the expiration of the time prescribed by these presents for payment thereof, the lessors shall be at liberty to seize all minerals and intermediate and finished products in or about the mines or pits opened, worked or carried on by the lessee in the mining block, and any engines, machinery or other property found in the mining block, and the lessors may sell or otherwise dispose of and deal with the property thus seized and from the monies produced thereby may deduct and retain all liabilities under this lease and all expenses incurred in or about any such seizure and sale;

Re-entry on non-payment of liabilities under lease or on breach of covenant.

47. PROVIDED ALSO, and these presents are upon this express condition, that if and whenever any part of the liabilities under this lease shall be in arrear for the space of six calendar months next after any of the days whereon the same ought to be paid as herein provided, whether the same have been legally demanded or not, or if the lessee, or the lessee's workmen shall cause any obstruction or annoyance to the officers of the lessors or to the people of the country or if the lessee shall cease to carry on the regular working of the mines or shall refuse to afford information to the lessors, or shall fail to provide within two years of the date of these presents a sum (which shall in no case be less than ten thousand pounds) sufficient for efficiently carrying on mining operations upon the mining block or if there shall be any other breach of any of the covenants and agreements herein contained and on the part of the lessee to be performed and observed, then and in any such case it shall be lawful for the lessors or their agents duly empowered in that behalf, although they may not have taken advantage of some previous default of a like nature, to re-enter upon any part of the mining block or of the mines, buildings or mining or metallurgical plant or other operations or works in or on the mining block in the name of the whole and thereupon the said term of the thirty years shall absolutely determine and the said deposit of Rs. 1,000 hereinbefore referred to shall be retained by the lessors as and for their own property;

Determining the lease at the option of the lessee at the end of any year.

48. PROVIDED ALSO, and it is hereby agreed and declared, that if the lessee shall be desirous of determining the said term of thirty years hereby granted at the expiration of any year of the said term and of such desire shall give to the lessors six calendar months' previous notice in writing and shall pay the liabilities under this lease and perform and observe the several covenants and agreements herein contained and on the part of the lessee to be performed and observed up to the expiration of such year, then and in such case upon the expiration of such year the term hereby granted shall absolutely cease and determine;

Renewal of lease.

49. PROVIDED ALSO, and it is hereby agreed and declared, that if the said term of thirty years hereby granted shall not, prior to the termination thereof by lapse of time, have been determined under the

provisions hereinbefore contained, and if the lessee shall be desirous of obtaining a renewed lease of the licenses, rights and liberties hereby granted for a further term of thirty years from the expiration of the term hereby granted and of such desire shall give to the lessors one year's previous notice in writing and shall pay the liabilities under this lease and perform and observe the several covenants and agreements herein contained and on the part of the lessee to be performed and observed up to the expiration of the term hereby granted, then and in such case the lessors will, upon the request and at the expense of the lessee, execute and deliver to the lessee a renewed lease of the said premises for a further term of thirty years in such form and subject to such royalty and other payments and such covenants, agreements and conditions, as the lessors may prescribe and the lessee shall at the same time execute and deliver to the lessors a counterpart of such renewed lease.

In witness whereof the Dewan of Mysore, acting for and on behalf of the lessors, and the lessee have hereunto and to a duplicate hereof set their respective hands and seals the day and year first above written.

Signed, sealed and delivered by the abovenamed

in the presence of

Signed, sealed and delivered by the abovenamed

in the presence of

SCHEDULE A.

Boundaries and Area of the land comprised within the Mining Block.

SCHEDULE B.

ROYALTY ON GOLD AND SILVER.

(1) No royalty shall be paid so long as the operations in connection with the Mining Block do not result in any Net Profits to the lessee.

(2) For each calendar year in which the operations result in a balance of Net Profit to the lessee, the rate of Royalty shall be 5 per cent of the gross sale value of the gold and silver.

(3) For each calendar year for which the Net Profits exceed the sum of £ 25,000, the lessee shall pay an additional Royalty of 5 per cent of all Net Profits in excess of £ 25,000;

Provided that in the case of the lessee being a duly registered Company the words "*Divisible Profits*" may be substituted for "*Net Profits*" in this clause.

NOTE.—"*Net Profits*" shall be the excess of income over legitimate working expenditure calculated for each calendar year separately; and "Divisible Profits" shall be "Declared Dividends," and bonuses or other payments made out of Net Profits to or on behalf of the Shareholders and interest on debentures.